



SUSTAINABILITY REPORT

OUR VISION

Since its founding in 1976, Samtec has steadily built its leadership position in Service. The term “Sudden Service” is equated with providing an unparalleled Customer Service experience throughout the connector/cable assembly industry. The underlying philosophies are Service, Differentiation and People Development. Every day we are working with our customers to develop products that meet their needs, while also achieving social and environmental objectives such as reducing environmental impacts, reducing energy consumption and improving safety and reliability.

As new members to the United Nations Global Compact (UNGC), this is our first year to present the Samtec Sustainability Report. Samtec joins over 8,700 companies and other stakeholders from more than 130 countries in supporting the UNGC’s ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. This report will help to reaffirm the fact that we are a global company whose operations touch the lives of many people and communities all over the world.

We believe it is critical that Samtec, our associates and our business partners operate in a transparent and responsible manner. At the heart of this report is a conviction that has existed within Samtec since the very beginning that we are now sharing with you for the first time: that fundamentally, we have a responsibility to care for the social and environmental components within our marketplace, while advancing universal goals of cooperation and development.

Our sustainability efforts this past year have formalized our focus on protecting the environment, creating safe and healthy workplaces and a commitment to being an exemplary global citizen. In the past year, we improved internal procedures to more effectively measure and monitor performance against standard environmental metrics.

We also continued to make a positive impact in our global communities by lending support to charitable programs including disaster relief efforts in the aftermath of the tornadoes in the Midwest. At Samtec, we believe that acting with integrity in all areas of our business is a fundamental value which generates long-term success within our company, our people and within the communities we live and do business.

Our objective with any of our corporate philanthropy is to encourage individual access and opportunity for our associates to engage personally in their communities. This is why the organizations supported by our company and its associates are as diverse as our communities and people. At the end of the day, Samtec has been a community leader in mobilizing real change within the communities we live.

Looking ahead, we realize that our sustainability priorities will evolve with the ever-changing global marketplace. We recognize companies are increasingly being asked to think beyond their environmental footprint and consider additional global issues such as corporate ethics and transparency, employee working hours, sourcing of conflict minerals and increased commodity cost and scarcity. Samtec will continue to meet these challenges through our commitment to developing innovative products as well as eliminating supply chain risks.

Thank you for your interest in the progress Samtec has made in achieving our vision and helping to make our world more socially and environmentally sustainable both today and for future generations.



John Shine, President

ENVIRONMENTAL RESPONSIBILITY

As stated in its Environmental Policy Statement, “Samtec is committed to conducting business in a manner that will preserve and protect the environment including complying with environmental laws and other requirements, promoting the prevention of pollution, conserving natural resources, recycling materials and reducing waste”.

Samtec has implemented many programs and initiatives through its Environmental Management System (EMS), a system that ensures accountability for environmental initiatives to ensure that it continually lives up to its policy. Samtec also recognizes that its environmental footprint does not stop with its own operations. Its impact also extends to its many stakeholders. Thus, Samtec has made supplier responsibility part of its environmental programs as well.

Materials Awareness

Samtec is very conscious about what materials it uses in the production of its products. The creation of its Approved Material List supports this effort. Before Samtec orders raw materials from its vendors, it first cross references the items on the purchase order with this list.

This proactive approach to material management not only allows Samtec to eliminate the chance it will receive unapproved materials, but also helps to ensure process efficiency and customer satisfaction by eliminating rework.

Samtec also created the Material Declaration Database that can be accessed by internal associates and customers on a real-time basis to see the basic material composition of any Samtec part. This ensures full compliance and accountability on Samtec's part, and full transparency of materials so customers can be wiser in their selection process.

Supplier Responsibility

Samtec conducts annual Material Analysis Reviews where a representative sample of materials it has concerns about are sent out to a lab for analysis. This helps to ensure our material use compliance and acts as a gut check to ensure vendor compliance as well.

Additionally, Samtec asks its vendors to complete a rigorous 16 page annual Vendor Survey. This survey is composed of questions relating to management responsibility, quality efforts, social activities, compliance and many other environmental activities. This ensures Samtec does business with not only compliant vendors, but also those that share the same core values as Samtec.

This is a requirement for all Samtec vendors to complete each year.

Wastewater Discharge

As the need to produce more electronic components increases, the need for water and chemicals used to produce these components also increases. Recently, Samtec has been exploring efforts to increase efficiency in this area.

By retrofitting many production lines over the last two years, Samtec has experienced a full 30% increase in production capacity relative to only a slight increase in chemical usage and by-product. This has resulted in a significant net economic and environmental efficiency increase in these areas.

Samtec is exploring ways to expand this movement further throughout its production lines to further increase efficiency and improve environmental impact.

Single Stream Recycling

The Single Stream Recycling Program is highly visible throughout Samtec facilities. This program allows associates to deposit all forms of recyclable material into one container, instead of multiple separate bins. Every office associate has their own personal recycling bin, and there are many others placed strategically throughout each facility. This program has made recycling much easier on Samtec Associates and has made a significant impact on our environmental footprint.

In a single six month period, Samtec was able to:

- Recycle **217,768** pounds of paper, cardboard, drink bottles, aluminum cans and industrial plastics
- Recycle **3,642** pounds of spent TVs and computer equipment
- Achieve a factor of **1.67** times as much material being recycled versus non-recycled

Reusable Cups

It takes Styrofoam over 500 years to decompose in a landfill. In 2011, Samtec instituted a new environmental initiative at its headquarters to help combat this. Each Samtec Associate was given a reusable cup. The coffee cups were replaced with recyclable counterparts as well. This single change eliminated the use of over 100,000 Styrofoam cups annually.

Samtec truly believes in environmental awareness and has a goal of zero landfill waste as it continues to improve its environmental conservation efforts.

PEOPLE MATTER

The Samtec family is very giving. Filtering down from the People Matter mentality that resonates throughout the entire organization, it is common for Samtec Associates to go out of their way to help others in need, and it is certainly encouraged internally as situations of those in need come to light.

At the core of Samtec culture is an attitude that has been part of the equation since the beginning. People Matter isn't just a passive phrase that is seen on the walls throughout Samtec facilities. It's a way of Samtec life, a part of the Samtec DNA and a significant contributor to the success of the company to date.

Even though Samtec is currently a half billion dollar global company, Associates still feel like they are part of a close-knit Samtec family.

Community Involvement

Samtec encourages community involvement, routinely hosts donation drives and invites many non-profit organizations and community members into its facilities to benefit from the giving nature of its Associates. This encouragement and support from Samtec has proven to have a profound impact.

In a survey conducted with Samtec Associates in the fall of 2012, 124 Samtec associates responded

from 11 different countries worldwide that they had volunteered their time and resources to help others in need.

Some of the highlights include:

- A significant amount of time, money and resources donated to local tornado relief in the Midwest
- Raising money for medical research through various non-profit organizations
- Donating blood through Samtec sponsored blood drives
- Church, shelter, environmental and school volunteer efforts
- Youth mentoring in the community
- Coaching local sports teams
- Animal rescue

Samtec also matched all donations that were made by Associates to local tornado relief efforts in the Midwest, resulting in over \$20,000 in additional funding to help those in need during the Spring of 2012.

Additionally, Samtec's Social Solutions Association (SSA) is a pool of resources that is funded by Samtec employees. This fund is dedicated to supporting Samtec associates and their families in times of need as well as assisting with the needs of the local community where a contribution will have the greatest impact and maximum benefit.

SSA is open to a wide range of contributions including:

- Community Development
- Education
- Healthcare and Quality of Life
- Recreational Opportunities and Community Beautification
- Case-by-Case Assistance

At Samtec, when it comes to giving back to the community, the caliber of its Associates and their People Matter mentality is truly the ultimate difference maker.

Compensation and Benefits

Samtec strives to offer a diverse and competitive compensation package for its Associates. On top of base pay, Samtec also offers many other benefits to qualifying Associates including:

- Pay for performance incentives
- Retirement, 401k matching, financial planning assistance and paid time off
- Samtec University training and development
- A wide variety of insurance options
- On-site health facilities
- Annual wellness screenings
- Free flu shots
- Employee Assistance Program counseling
- On-site restaurant

Additionally, Samtec offers a multitude of programs catering towards educational development as well as ensuring its Associates are able to stay current with the latest computing technology.

For example, in 2011, Samtec spent over \$150,000 on training and development for its Associates, approximately \$247,000 in educational expenses for associates to attend college and gave out \$41,500 in grants for Associates to purchase in-home computers.

Samtec also has a very aggressive co-op program in partnership with local universities. Co-ops are given opportunities to work in paid positions in which they can gain extremely valuable experience on a schedule that fits within their educational goals. Many co-ops choose to stay at Samtec after completion of their term.

A Great Place to Work

The People Matter focus at Samtec starts with the hiring process. Before anyone is hired, they are thoroughly evaluated and assessed to ensure they fit the Samtec culture. Many interview questions are structured around human behavioral situations to get an understanding of not just what skills a person possesses, but what values they hold true as a person.

By starting at the hiring process, this attitude then filters throughout the ranks of the entire organization to ensure when people come in the door, they have already bought-in to the Samtec culture, holding things such as age, race, religion or sex irrelevant.

The People First attitude then continues through the new hire process during orientation with much of the training devoted to promoting openness and education of policies such as:

- **Open Door Policy** – This policy gives Associates the freedom to talk to anybody, about anything, at any time, including the President of the company. This starts the minute an Associate walks in the door.
- **Open Office Environment** – There are very few offices in Samtec facilities. The vast majority of Associates work in an open office environment that encourages collaboration and communication.
- **Open Break Area** – Samtec facilities feature very large open break areas where Associates can interact with one another without feeling confined.
- **Annual Surveys** – Samtec cares about the input of its Associates. Annual surveys are conducted to ensure Associate satisfaction rates remain at a high level. Samtec's New Albany headquarters has been ranked in the Top 10 of the "Top Places to Work Survey" for the last two years running.

These policies, coupled with the type of people that Samtec focuses on hiring, keeps the work environment a very open, collaborative and positive environment to be a part of.

Top Notch Facilities

One of the first things visitors notice about Samtec facilities is how incredibly clean they are. Every day, there are multiple maintenance crew members devoted solely to keeping the facility in top condition for Samtec Associates.

This culture has filtered down to the Samtec family as well. It's not uncommon to see Samtec Associates devote their own time to keeping the facility in great shape.

In addition, Samtec facilities are equipped with amenities such as:

- Highly advanced research and manufacturing equipment
- State-of-the-art A/V equipment and computing technology
- Multiple large open conference rooms
- Break areas with flat screen TVs and open access computers
- Multiple kitchenettes and commercial refrigerators

These amenities along with many others create a highly welcoming environment for Associates to come to work in every single day.



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